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DEPARTMENT ALSO FOR ISN/FM -- AMB. GUHIN AND MEGGEN WATT

E.O. 12958: DECL: 07/02/2017

TAGS: ENRG KNNP PREL PARM TRGY RS
SUBJECT: MAYAK TRANSPARENCY AGREEMENT: JULY ROU

SUBJECT: MAYAK TRANSPARENCY AGREEMENT: JULY ROUND POSSIBLE

REF: STATE 25072

Classified By: EST Counselor Daniel J. O'Grady. Reasons: 1.4 (b,d)

- 11. (C) Both in the meetings of the plutonium disposition negotiations (June 19-20 in Moscow) and on their margins, Ambassador Guhin raised the Mayak transparency agreement with Rosatom Deputy Director Ivan Kamenskikh and Head of the Department of International Relations Vladimir Kuchinov, urging that negotiations be reconvened and completed promptly in July, before Senator Lugar's visit in August. He noted that the US provided comments on the entire package (umbrella agreement, liability protocol, and technical annexes) in late February (reftel) and need Russia's response, and that both sides had an interest in concluding these negotiations without delay.
- ¶2. (C) On the margins and then in the plenary (see below), Kuchinov explained that Rosatom had just received comments from the interagency, some of these went in different directions, and this required Rosatom to sort them out before responding to the U.S. He anticipated that Russian comments would be ready soon, "surely by the end of June," and that the Russian side would be ready to meet sometime in July. He also noted that completing negotiations by the time of Senator Lugar's visit could be difficult but not impossible, but said signature by that time was not possible given the formal and extensive ministerial-level review for Presidential approval for signature once the text is completed.
- $\underline{\mathbb{1}}$ 3. (C) In the plenary, Kamenskikh ruminated about the high cost of operating the Mayak Fissible Material Storage Facility (FMSF) -- some 450 million rubles per year -- and appeared to suggest that the storage value was not commensurate with the cost. In the meeting and particularly on the margins, U.S. Rep stressed that this was a major, important project and that the operational cost (really cheap by U.S. standards) or extent of use of the facility should not be in question. He privately asked Kuchinov if Kamenskikh was suggesting otherwise and noted that, if so, this would be a big problem. Kuchinov quickly responded that Kamenskikh was not and that the facility was being and would continue to be filled at least until 25 tons had been secured. U.S. Rep maintained that the facility should be utilized to the full extent. RUSSELL